

2014 Capital Expense Bond Election Discussions

The 2014 Business Plan provides the following guidance.

The Board shall establish Levels of Service with public input.

It is the Board of Commissioners' plan to utilize a combination Department to provide services to our community. This organization shall be comprised of an adequate blend of volunteer, part-time and full-time personnel to meet the established Levels of Service. Specifically, full-time personnel shall focus on providing the guidance, direction, and support necessary to allow volunteer and part-time personnel to focus on response and support services.

The Board of Commissioners shall see that the Objectives of the Comprehensive Plan are funded.

Additionally the funding strategy within the Business Plan states:

The Board of Commissioners has established a formal funding strategy for the District to ensure a steady revenue stream to provide the current level of service in the manner outlined in the District Business Philosophy. The strategy makes the following statement:

For funding capital improvement projects (primarily facilities, property and apparatus) the Fire District may utilize the Bond/Levy process.

- a. *The District will continue to assess capital improvement needs of the District on a regular basis.*
 - *2013 rate of Bonds issued in 2000 is \$.27 per thousand with payout of existing debt scheduled for December 2014.*

This funding strategy has been developed utilizing current and projected legislative, financial, service demand and population growth trends. Any significant change in one or more of these trends may necessitate a review and update of this funding strategy.

The Citizens Advisory Committee reconvened in January of 2014 to review current levels of service, the demand for service, and how the District can best meet those demands. The Committee also reviewed the 2014 Budget and overall financial position of the District. Through these discussions the Citizens Advisory Committee provided input and guidance to the District Board of Commissioners that resulted in the decision to offer the following ballot measure to the citizens of the District.

PROPOSITION 1

FIRE PROTECTION DISTRICT NO. 4

SPOKANE COUNTY, WASHINGTON

BONDS FOR LAND, FIRE STATIONS, VEHICLES AND EQUIPMENT

The Board of Fire Commissioners of Fire Protection District No. 4, Spokane County, Washington adopted Resolution No. 14-01, concerning a proposition to finance land, fire stations, vehicles and equipment. This proposition would authorize the District to acquire land, construct and equip three new fire stations and a new fire training center, renovate existing fire stations and support facilities, acquire fire fighting and emergency medical service vehicles and equipment, and upgrade District-wide communication and information systems; issue no more than \$9,595,000 of general obligation bonds maturing within 20 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 14-01. Should this proposition be:

Approved

Rejected.....

Some Frequently Asked Questions

Does the fire district have a bond now?

Yes. The last bond requested by Fire District 4 was in 2000 for 5.4 million dollars and funded the following projects:

1. Purchased land for future stations
2. Constructed Station 46 in Riverside and Station 49 at Monroe and Highway 395
3. Purchased four new Type 1 Structure Engines
4. Purchased five new Type 6 Medic / Brush Engines
5. Purchased three new Water Tenders

What tax rate was initially required for repayment of the 2000 bond?

When the 2000 bond was approved, the repayment rate was \$.64 per \$1,000 of assessed value.

When will the current bond be paid off?

The last payment on the 2000 bond will be made in December of 2014.

How much is the 2014 bond request?

The 2014 bond proposal is for 9.6 million dollars.

What would the tax rate be for repayment?

If the 2014 bond is approved, the rate for repayment will be approximately \$.27 per \$1,000 of assessed value.

Why is the rate for the current proposed bond less than half the rate of the previous bond?

When voters approve bonds, the cost of the bonds is shared by all the taxpayers and is based on the current assessed value of the District. As the assessed value of the District increases, the amount paid by each taxpayer decreases. Additionally, the current interest rates are nearly half of the interest rate when the previous bond was approved.

Why use bond funds?

Bond funds can only be used for capital improvements such as purchasing and equipping new facilities, renovating existing facilities, acquiring new response vehicles and equipment, and upgrading District-wide emergency communication systems. These funds cannot be used for operating expenses. The use of bond funds for these types of projects allows the District to use regular levy and EMS levy funds for day to day operations and programs. Being fiscally conservative, in 2012 the District was able to implement a highly successful Advanced Life Support (ALS) Program using volunteer paramedics, with no increased cost to the taxpayers.

Why now?

The timing of this funding is tied to several factors as detailed below:

- ✓ The current age and condition of some of existing facilities
- ✓ The increased demand for service
- ✓ The need for additional room at our busiest station (station 41 in Deer Park)
- ✓ Today nearly 25% of our primary response apparatus is 20 years old or older
- ✓ The ability for the District to maintain or improve current insurance ratings
- ✓ The current interest rates make these types of bonds affordable
- ✓ The District will pay off the current bond in December of this year, replacing it with this measure will result in a level tax rate for taxpayers and a stable funding source for the District.

How much will my taxes increase if this bond is approved?

The rate currently being collected will continue and result in no increase in taxes. This bond will replace the current bond approved by the voters in 2000.

If approved, what will the 2014 bond proceeds fund?

The 2014 bond proceeds will fund the following projects:

- ✓ Purchase land for a new fire station in the Deer Park area
- ✓ Develop site and construct a new fire station in the Deer Park area
- ✓ Purchase land for a fire training facility
- ✓ Develop site and construct a training facility

- ✓ Develop site and construct a new fire station on the District owned property in the area of Elk-Chattaroy and Hamilton Roads
- ✓ Develop site and construct a new fire station on the District owned property in the area of Cooper Road and Highway 206
- ✓ Provide for renovations of existing District owned stations and facilities to extend the useful life of the structures and add additional capacities. (i.e.: resident quarters to allow for 24 hour staffing, large meeting rooms to accommodate district wide events)
- ✓ Purchase apparatus to equip new stations and add additional capacity at existing stations
- ✓ Purchase new safety equipment and personal protective equipment that meets current standards

How busy was the District in 2000?

In 2000 the District responded to approximately 1500 emergency calls.

How busy was the District in 2013?

In 2013 the District responded to 2600 emergency calls, a nearly 75% increase in emergency calls.

Why do we need a new station in Deer Park?

Station 41(Deer Park) responds to nearly 50% of all emergency calls in Fire District 4. A growing number of those calls occur while the Station 41 crew is already responding to another call. In 2013 there were 573 district-wide instances of simultaneous station calls. On an average, Station 41 receives one of those calls per week; a trend that is increasing during 2014. While other stations are dispatched to cover the simultaneous calls, response times are extended. Repositioning staff and apparatus from other stations in turn may result in extended response times in other areas of the District. Additional space and apparatus at Station 41 will allow the District to expand staffing and capacity as future demands require, which in turn reduces response delays to simultaneous incidents. The training / meeting room beside Station 41 is a portable office building that the District relocated to Deer Park in 2002 after it had been used at another fire station for similar purposes. The training room is not large enough to accommodate the needs for this station.

Can the District use the current Deer Park location for a new fire station?

The City of Deer Park owns the land and building that houses Station 41, and leases it to the District. We are continuing to evaluate this location for future use while exploring other locations that will serve the area.

What is the advantage to adding a fire station on Elk-Chattaroy Road?

Our planning and community input process gave this area priority in meeting our established levels of service. When completed, the new station at Elk-Chattaroy and

Hamilton Roads will fill a gap in our residential coverage so that approximately 500 more homes will be within five miles of a fire station. The five-mile range is an important factor when insurance companies determine the rates they charge, and in reducing response times.

Why is a new fire station needed on Highway 206 near Cooper Road?

During our last Community Grading process the Washington Survey and Rating Bureau indicated that this area lacked coverage by a full complement of apparatus. Specifically, they identified the need for a Water Tender to be housed in this area. Our current facility does not have enough room to add a water tender. Plus, the site lacks a domestic water supply. The District previously identified these challenges and purchased the property. It is now time to build and equip a new fire station on that site.

What types of renovations are needed on current facilities?

Some of the mechanical systems in our facilities are beginning to fail or require updating. We already make repairs and replacements as required, but more will be needed. Current standards also require updates to ventilation systems in fire stations that have living quarters. With increased service demands, the need to improve response times, and the challenges in maintaining volunteer staffing, we have identified two volunteer stations that need renovations to allow 24/7 staffing when it may be needed in the future.

Why does the district need a training facility?

Training is a critical part of our District's operational strategy. We currently take advantage of the training facility located in a neighboring district to the south. A training facility within our own District would allow battalions to train "closer to home." Staying in their response areas will keep response times lower, and help reduce scheduling conflicts. A training facility owned and operated by the District will also help maintain or improve our current insurance grade, and one located in the northern part of our District will allow better coordination of training with our mutual aid partners from Stevens and Pend Oreille counties. Again, this will also contribute positively toward maintaining our insurance grade.

The fire trucks look good to me, so why do we need new ones?

A fire district's fleet is evaluated in the Community Grading process. There must be sufficient, appropriate apparatus to meet the response needs of the community. Plus, and very importantly, the fleet is graded by age. Older apparatus can begin to fall behind current standards, which directly affects firefighter safety. Our first response fleet consists of approximately 40 vehicles, and nearly 25% are 20 years old or older. When the District loses points in the Community Grading process due to the age of its apparatus, it translates directly to the rates paid by our citizens for their homeowners and business insurance. To prevent the loss of our current insurance rating and to work towards improving, we need to add apparatus and update apparatus with improved capabilities.

Why do we need new safety equipment?

Changing industry standards require updates to some of our safety equipment. The current Self Contained Breathing Apparatus we have in service were purchased in 2009 and are scheduled to be replaced in 2017.

Does the District use grant funds?

The District traditionally explores grant opportunities. In 2013 / 2014 we applied for approximately \$700,000 in grant funding, and to date we have been awarded \$3,200.

What is required for Voter Approval?

Bonds must be approved by 60% of the qualified voters within the fire protection district. In addition, the total number of voters casting ballots at the election cannot be less than 40% of the number of votes cast in the last state general election.